

June 12, 2007

Los Angeles County Board of Supervisors The Honorable Board of Supervisors County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012

Gloria Molina First District

Yvonne B. Burke Second District

Dear Supervisors:

Zev Yaroslavsky Third District

> Don Knabe Fourth District

Michael D. Antonovich

APPROVAL OF AMENDMENT NO. 2 TO ORGAN DONATION SERVICES AGREEMENT FOR DEPARTMENT OF HEALTH SERVICES

(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Bruce A. Chernof, MD Director and Chief Medical Officer

> John R. Cochran III Chief Deputy Director

Robert G. Splawn, MD Senior Medical Director Approve and instruct the Director of Health Services, or his designee, to sign the attached Amendment No. 2 (Exhibit I) to Agreement No. H-210806 with OneLegacy for the continued provision of organ donation, which includes organ harvesting and distribution services, to extend the term from July 1, 2007 through June 30, 2012.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTIONS:

313 N. Figueroa Street, Suite 912 Los Angeles, CA 90012

> Tel: (213) 240-8101 Fax: (213) 481-0503

Approval of the recommended action will authorize the Director of Health Services, or his designee, to extend the term of the sole source agreement with OneLegacy to continue the harvesting and distribution of County hospitals' patient-donated organs on behalf of the County and in accordance with federal and state laws and regulations that govern the relationships among hospitals, organ and tissue procurement organizations, and patients.

To improve health through leadership, service and education.

FISCAL IMPACT/FINANCING:

All Department of Health Services' (DHS or Department) hospitals participating in the organ donation services program will be reimbursed at a rate of \$14,000 per organ donor for operating room expenses and distribution costs. The total estimated revenue is \$434,000 per fiscal year. Both the revenue and the costs associated with the organ donation services are included in the Department's Fiscal Year 2007-08 Proposed Budget and will be requested in future fiscal years.



FACTS AND PROVISIONS/LEGAL REOUIREMENTS:

On September 14, 1999, the Board approved Agreement No. H-210806 with Southern California Organ Procurement Center, Inc. (SCOPC), which was

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federally designated by the Health Care Financing Administration, Department of Health and Human Services, as the regional organ procurement organization for Southern California.

On June 29, 2004, Amendment No. 1 was approved to extend the term of the Agreement effective July 1, 2004 through June 30, 2007 with OneLegacy, formerly known as SCOPC.

OneLegacy is the Centers for Medicare & Medicaid Services' (CMS) designated organ procurement organization for Los Angeles County. To participate in organ donation services, an agreement with OneLegacy is required under federal regulations. Additionally, this agreement satisfies one of the conditions required by CMS for hospital participation in the Medicare and Medicaid programs for this service. Board approval of the amendment with OneLegacy will enable DHS to remain in compliance with these federal mandates.

The agreement with OneLegacy allows participating DHS hospitals and OneLegacy to work together to ensure that potential organ donors are identified, and that the County patients or legal next-of-kin are given the opportunity to donate organs in accordance with the national transplant wait list/match system as administered by the United Network for Organ Sharing (UNOS). It is expected that, although UNOS is a <u>national</u> transplant waiting list/match system, almost all of the organs harvested will remain in the Los Angeles County area and be transplanted to patients on local UNOS waiting lists.

Approval of Amendment No. 2 will add new Board-mandated provisions; add revised and new language as mandated by federal and state laws and regulations that govern the relationships among hospitals, organ and tissue procurement organizations, and patients; and extend the term effective July 1, 2007 through June 30, 2012.

Attachment A provides additional information.

County Counsel has approved the Amendment (Exhibit I) as to form.

CONTRACTING PROCESS:

OneLegacy is the CMS-designated organ procurement organization for Los Angeles County. To participate in organ donation services, an agreement with OneLegacy is required under federal regulations.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the attached Amendment will ensure the continued and uninterrupted provision of organ donation services and will enable DHS to comply with Federal and State mandates.

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When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

Bruce A. Chernof, M.D.

Director and Chief Medical Officer

BAC:abv BDCD4362.abv.wpd

Attachments (2)

c: Chief Administrative Officer County Counsel Executive Officer, Board of Supervisors

SUMMARY OF AMENDMENT

1. TYPE OF SERVICE:

Organ donation services.

2. CONTRACTOR ADDRESS AND CONTACT PERSON:

OneLegacy
221 South Figueroa Street, Suite 500
Los Angeles, CA 90012
Attention: Thomas Mone, Chief Executive Officer

Telephone: (213) 229-5600 FAX (213) 229-5601

3. TERM:

July 1, 2007 through June 30, 2012.

4. FINANCIAL INFORMATION:

Department of Health Services' hospitals participating in the organ donation services program will be reimbursed at a rate of \$14,000 per organ donor for operating room expenses and distribution costs. The total estimated revenue is \$434,000 per fiscal year. Both the revenue and the costs associated with the organ donation services are included in the Department's Fiscal Year 2007-08 Proposed Budget and will be requested in future fiscal years.

5. GEOGRAPHIC AREA:

Countywide.

6. ACCOUNTABILITY FOR PROGRAM:

Miguel Ortiz-Marroquin, Interim Chief Executive Officer, Harbor-UCLA Medical Center Pete Delgado, Chief Executive Officer, LAC+USC Healthcare Network-Medical Center Antoinette Smith Epps, Chief Executive Officer, MLK-Harbor Hospital Gretchen McGinley, Interim Chief Executive Officer, Olive View-UCLA Medical Center Jorge Orozco, Interim Chief Executive Officer, Rancho Los Amigos National Rehabilitation Center

7. APPROVALS:

Chief Deputy: John R. Cochran III

Contracts and Grants Division: Cara O'Neill, Chief

County Counsel (approval as to form) Sharon Reichman